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RUEHGT/AMEMBASSY GUATEMALA 0031  
RUEHHI/AMEMBASSY HANOI 0142  
RUEHIL/AMEMBASSY ISLAMABAD 2044  
RUEHJA/AMEMBASSY JAKARTA 0247  
RUEHKT/AMEMBASSY KATHMANDU 9546  
RUEHKL/AMEMBASSY KUALA LUMPUR 0299  
RUEHLO/AMEMBASSY LONDON 1761  
RUEHML/AMEMBASSY MANILA 1474  
RUEHNE/AMEMBASSY NEW DELHI 0493  
RUEHOT/AMEMBASSY OTTAWA 0714  
RUEHSN/AMEMBASSY SAN SALVADOR 0119  
RUEHUL/AMEMBASSY SEOUL 0317  
RUEHCG/AMCONSUL CHENNAI 0961  
RUEHCI/AMCONSUL KOLKATA 1168  
RUEHBI/AMCONSUL MUMBAI 0294  
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RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RUEHC/DEPT OF LABOR WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 DHAKA 000224

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DEPT FOR AARON SCHEIBE,  
WH/USTR FOR CLAUDIO LILIENFELD, MARIDETH SANDLER, ADINA  
ADLER;  
DEPT OF LABOR FOR TIM WEDDING;  
DEPT OF COMMERCE FOR DOREEN MENDOZA;  
TREASURY DEPT FOR TIM MILLS

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TAGS: [ELAB](#) [ECON](#) [ETRD](#) [PHUM](#) [PREL](#) [EFIS](#) [EIND](#) [EAID](#) [SOCI](#)  
KTEX, BG  
SUBJECT: LABOR UPDATE AND INTERIM GSP DEMARCHE DELIVERY

REF: A. SECSTATE 10011  
[1](#)B. DHAKA 00213  
[1](#)C. DHAKA 000115

Classified By: CDA a.i. Geeta Pasi for reasons 1.4 (b) and (d)

SUMMARY: (U) Post delivered Ref A interim GSP demarche to the Government of Bangladesh, s Ministry of Foreign Affairs, Executive Director of BEPZA, and the President of BGMEA. Charg d, Affaires a.i. has highlighted labor rights in recent public speeches. One USG-funded NGO reports progress in his recent meetings with BEPZA and BGMEA. END SUMMARY.

LABOR RIGHTS POINTS: PUBLICLY STATED, PRIVATELY EMPHASIZED  
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[1](#)1. (U) On February 5, CDA a.i. Geeta Pasi delivered a speech at an award event organized by the US Cotton Council. In the speech, CDA emphasized key labor rights themes. (NOTE: full text of the speech is available on Post, s public website: <http://dhaka.usembassy.gov> END NOTE) Acknowledging the current GSP process the CDA, s comments were widely covered in the local print media. A Bangladeshi labor group sent a letter of appreciation to the Embassy in response to the CDA, s comments.

[1](#)2. (SBU) ADCM and LABOFF delivered the interim GSP demarche

to officials at Bangladesh,s Ministry of Foreign Affairs. In addition, they presented a copy of letter from U.S. Trade Representative Schwab to Foreign Adviser Iftekhar Ahmed Chowdhury. The tone of the meeting was positive and focused on how the MFA can work with the Embassy to facilitate communications with others parts of the Government of Bangladesh. One idea proposed by the MFA was an inter-ministerial meeting of relevant agencies to discuss the interim response.

BEPZA: POSITIVE AND PREPARED  
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13. (SBU) LABOFF also delivered the demarche to Brigadier General Ashraf Abdullah Yussuf, Executive Chairman of Bangladesh Export Processing Zone Association (BEPZA). Yussuf already had received portions of the demarche through other channels and was prepared with specific responses to the points raised. Yussuf stated that the formation of workers, associations was currently between 60 and 80 percent complete, and he highlighted that Dave Welsh, head of the USG-funded labor American Center for International Labor Solidarity (ACILS), observed association elections in the EPZ. Concurring with the GSP committee recommendation on establishing an independent labor tribunal, Yussuf noted he had on countless occasions contacted the Commerce Ministry to fulfill this pledge, to no avail. Yussuf also agreed in full with the proposed appointment of an independent labor ombudsman, but noted this action also could only be implemented by the Commerce ministry. Only one point of

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disagreement arose: Yussuf contested the assertion that grievances were not appropriately heard, and he pointed to a large stack of documented grievances he personally is investigating. Overall, he thought it was unfortunate that the bulk of the demarche recommendations focused on the EPZs, (which he sees as having better worker protections than non-EPZ employers), while only one paragraph was devoted to the ready-made (RMG) sector recommendations (applicable outside the EPZs).

14. (C) Addressing the demarche,s long-term changes, Yussuf noted these suggestions require an elected government. He declared both BEPZA and the owner-investors in the EPZ were ready for full unionization. Yussuf stated that he was ready to recommend to the next government that EWAIRA be scrapped, and allow for full unionization per the Bangladesh Labour Act of 2006. Yussuf said BEPZA is ready for full unionization, as it is weary of explaining and justifying the existence of two labor regimes. (NOTE: ACILS, Welsh finds the assertion that EPZ investors are ready for full unionization to be incredible, noting the past strong resistance of the investors to any labor organization efforts. Separately, ACILS also expressed the concern that full unionization in the EPZs could also lead to the introduction into the EPZs of more politicized unions from the broader national labor milieu. END COMMENT.)

BGMEA: SHOWING SIGNS OF STRAIN  
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15. (C) LABOFF also spoke with Anwar-Ul-Alam Chowdhury (known as Parvez), President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA). Parvez was less positive than he had been in past meetings. He cited labor findings from the 2006 State Department Human Rights Report as being unduly negative. LABOFF explained the demarche points were related to USTR,s recent hearings in Washington on the GSP petition, hearings in which BGMEA participated. Pervez also expressed his view that the GOB appeared to have caved into external pressure in the recent release of labor activist Mehedi Hasan.

16. (C) BGMEA President Parvez expressed frustration that the

demarche focused on problems that require GOB action, and ignored positive steps taken by BGMEA and others. Parvez emphasized that BGMEA is committed to dialogue with all stakeholders and had reached an agreement with ACILS to meet twice a month, to keep lines of communication open. He enumerated the educational and training activities BGMEA conducts and reiterated his vision for advancing labor issues as part of an RMG sector-wide revitalization effort. Focusing on the need for more strategic communications to highlight Bangladesh,s progress on labor issues, Parvez invited LABOFF to visit some specific factories that BGMEA was working with to improve labor compliance. Parvez also expressed hope that the GSP committee would visit Bangladesh to form its own direct impressions of labor conditions and current efforts underway.

#### ON THE ARREST AND RELEASE OF MEHEDI HASAN

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17. (C) Labor activist Mehedi Hasan was released from police custody on February 3. Prior to his release, Post engaged various high and medium level GOB contacts to inquire about Hasan,s arrest and to explain the problems with arresting individuals lawfully seeking to advance labor rights. (REFTEL B.) During a discussion between ADCM and the Home Secretary regarding Hasan, the Home Secretary noted Hasan had

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a history of student activism. (COMMENT: Historically, university students in Bangladesh have been highly politicized, and the student wings of the major parties have been at the forefront of political demonstrations, which sometimes turn violent. END COMMENT.) He said that Hasan was released as a favor to the US. ACILS, Dave Welsh reports progress in his newly re-energized dialogue with BEPZA and BGMEA. However, procedural details pursued by ACILS with local police departments for the withdrawal of criminal charges and cases against the labor workers remains underway.

#### COMMENT

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18. (C) The arrest of Mehedi Hasan and the filing of charges against other labor activists underscores that Bangladesh,s law enforcement community is not attuned to the larger labor rights picture and the potential consequences of the GSP petition.

#### NEXT STEPS

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19. (SBU) Post plans to present the demarche to the Ministry of Labor. The CDA will also raise these points with the new Adviser responsible for the Ministry of Commerce. Additionally, we will look for appropriate opportunities to engage in public diplomacy on labor issues. Post would welcome USTR and interagency members of the GSP review committee to visit Bangladesh for observation of labor conditions and consultations with various stakeholders.

Pasi